

1 Adopt 2 Cal. Code Regs. Section 18530.31 to read:

2 **§ 18530.31. Contributions to Committees and Political Parties.**

3 (a) Definitions: For the purposes of this regulation the following definitions apply:

4 (1) “Committee” means that term as defined in Section 82013(a), but does not include a  
5 candidate-controlled campaign committee or a small contributor committee subject to the limits  
6 of Sections 85301 or 85302.

7 (2) “Contribution” means a contribution of goods and services as well as a monetary  
8 contribution, pursuant to Section 82015.

9 (3) “All-purpose bank account” has the meaning given in Regulation 18534(b).

10 (b) A donor makes a contribution for the purpose of making contributions to candidates  
11 for elective state office within the meaning of Section 85303 when a contribution is used as  
12 specified in subdivision (c) of this regulation after the donor informs the committee of any of the  
13 following intentions:

14 (1) That a contribution be deposited into an all-purpose bank account.

15 (2) That a contribution be used to make contributions to candidates for elective state  
16 office.

17 (3) That a contribution be used to raise funds that will be used to make contributions to  
18 candidates for elective state office.

19 (c) A contribution is used for the purpose of making contributions to candidates for  
20 elective state office within the meaning of Section 85303 when the committee receiving the  
21 contribution does any of the following:

22 (1) Deposits a monetary contribution into an all-purpose bank account.

1       (2) Uses a non-monetary contribution to make contributions to candidates for elective  
2 state office.

3       (3) Uses a contribution to raise funds that will be used to make contributions to  
4 candidates for elective state office.

5       (d) Neither the donor that makes nor the committee that receives a contribution violates  
6 Section 85303 if the contribution is not “used” as described in subdivision (c). The following are  
7 examples of contributions that are not “used” as described in subdivision (c):

8       (1) A contribution used to defray costs of establishing or administering a committee,  
9 including costs of committee fundraising when the proceeds are not used to make contributions  
10 to candidates for elective state office.

11       (2) A contribution used to make a contribution to a campaign committee other than a  
12 candidate-controlled campaign committee for elective state office.

13       (3) A contribution used to make a contribution to a committee primarily formed to  
14 support one or more ballot measures.

15       (4) A contribution used to fund an independent expenditure or a communication  
16 described by Section 85310(a).

17       (e) When fundraising proceeds are deposited into a committee’s all-purpose bank account  
18 pursuant to subdivision (c) above, fundraising costs payable from the committee’s all-purpose  
19 bank account shall be either thirty three percent (33%) of the amount deposited therein, or the  
20 actual cost of raising those funds, if that cost was less than 33 percent (33%) as established by a  
21 reasonable accounting method using accepted accounting principles, based on the committee’s  
22 records.

1        (f) The following fundraising costs are not required to be paid from a committee's all-  
2 purpose bank account:

3        (1) A cost attributable to ensuring compliance with recordkeeping and contributor  
4 identification requirements of Title 9 of the Government Code, including identification of  
5 contributors whose contributions must be aggregated.

6        (2) A cost attributable to the dissemination of fundraising solicitations through regularly  
7 published membership newsletters or dues statements, or through communications to members  
8 of an organization within the meaning of Section 85312.

9        (g) A committee subject to Section 85303 shall maintain for a period of five years  
10 documents and records, including accounts, bills, receipts and computations, sufficient to  
11 establish any fact pertinent to the requirements of subdivisions (b) through (h) of this regulation.

12  
13 NOTE: Authority: Section 83112, Government Code.

14 Reference: Sections 85301, 85302, 85303, 85312, Government Code.